** CORVUS * *SYSTEMS



Background

Corvus Systems, Inc.
Public Relations Department

2100 Corvus Drive San Jose, California 95124 408/559-7000 Telex 278976

FOR IMMEDIATE RELEASE

Contact: J. Peter Nelson (408)559-7000

West Coast Computer Fair Booth 1844-H

CORVUS SYSTEMS, INC.
NASDAQ - CRVS

Highlights

- World's largest local area computer network company, with more than 13,200 networks and 105,000 nodes (computers or peripherals) installed.
- Omninet low cost local area network for microcomputers has installed base of more than 7,500 networks serving approximately 70,000 nodes.
- New OmniDrive low-cost network only Winchester drives, Omni-Share network that allows sharing fixed IBM XT or PC drives, and the network Mirror backup system - all introduced in March, 1984.
- Omninet network link to IBM SNA gateway for communications with IBM host mainframe computers.



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CORVUS RESHAPES WINCHESTER DISK PRODUCT LINE WITH INDUSTRY'S FIRST NETWORK-ONLY DRIVES

Eliminates need for Costly Disk Server, Increases Information Throughput As Much As 40 Percent

45 Megabyte Drive Added to Line

SAN JOSE, Calif., March 20 -- A whole new class of low-cost disk drives which have a built-in Corvus Omninet local area network interface, and eliminate the need for a dedicated disk server in network applications, was introduced by Corvus Systems, Inc., today.

These are the first disk drives designed specifically



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- New OmniDrive low-cost network only Winchester drives, Omni-Share network that allows sharing fixed IBM XT or PC drives, and the network Mirror backup system - all introduced in March, 1984.
- Omninet network link to IBM SNA gateway for communications with IBM host mainframe computers.
- More than 29,000 Winchester disk drives for microcomputers sold.
- Powerful MC 68000-based (32/16 bit) Corvus Concept, Corvus Concept, and Uniplex workstations and microcomputers.
- The Bank and Mirror low cost mass storage backup systems.
- Fiscal 1983 (ended May 31, 1983) sales of \$47.6 million; net income of \$4.4 million. Business distribution:
 Network related products 58.6%, standalone mass storage 35%, backup products and other 6.4%.
- "Financial World," "California Business," and "Venture" magazines have ranked Corvus as one of the fastest growing companies in America. Sales and earnings have grown more than 50 percent per year, through fiscal 1983.

General background

Since its founding in 1979, Corvus Systems, Inc., has become the world's largest supplier of local area computer networks, and a major factor in the mass storage backup markets. The company also produces and markets a line of workstations and computers, all designed to work on its local area network.

The company's products are sold in the United States through a network of more than 1,000 retail stores, which the cmpany serves directly or through distributors. Outside the U.S., Corvus sells through some 40 distributors. European marketing and sales efforts are coordinated through an office in Geneva. It also has an aggressive key account selling program.

Corvus customers include departments within Fortune 1000 companies, small businesses, and OEM's. Corvus also has a strong base in the education market.

The company has more than 500 employees worldwide, and now occupies approximately 243,000 square feet of manufacturing, administrative, and engineering space. Its headquarters are in San Jose, California, in the heart of Silicon Valley. Manufacturing operation are in San Jose and White City, Oregon.

Networks

Recent figures show that Corvus has sold more than 13,200 networks serving more than 105,000 computers or peripherals, such as printers or mass storage devices. The company feels that it has sold more local area computer networks, serving more nodes, than any other manufacturer.

Corvus Omninet, the newest network (introduced in 1981), has an installed base of more than 7,500 networks serving more than 70,000 nodes. It allows up to 64 computers and nodes to be connected, letting the computers share the peripherals and data and files. It is a low-cost, easy to install network that is available for most popular computers, including those from Apple, IBM, DEC, TI, Zenith, their look-alikes, and the Corvus Concept. A typical network connection is priced at \$495.

In addition to the sales of transporters that allow these computers to be networked, Corvus licenses 28 other manufacturers to build Omninet into their own computers. These licensees include NCR, Fujitsu, Olivetti, Dy-4, and Megatel.

Corvus also manufactures and markets the Corvus SNA Gateway that enables up to 64 IBM PC's, XT's and Corvus Concepts on an Omninet to work with mainframe computers on IBM SNA networks. The product supports program-to-program communications, 3278 terminal emulation, and 3287 remote job entry.

Mass storage and backup

Corvus has become a major supplier of Winchester mass storage systems for use with microcomputers, with an intsalled base of more than 29,000. They are available for use on the company's networks by more than 20 brands of computers. The company's first product was a Winchester disk drive for Apple computers.

Corvus is also a major factor in the mass storage backup market, with a large installed base of Corvus Mirror systems that allow a user to store large amounts of data using ordinary videotape recorders.

The Bank, a major new product, offers true random access storage of up to 200 million bytes of information on a single cartridge of 1/2-inch, 100 track tape at very low cost.

Workstations

The Corvus Concept personal workstation, introduced in 1982, is a powerful MC 68000-based product with up to 512 thousand bytes of main memory, a high resolution screen (720x560 pixels), and 32/16-bit architecture. It is designed to work on an Omninet.

Its unique rotating screen allows full-page word processing use in vertical orientation, or 13-column spreadsheet display in horizontal mode.

Corvus ISYS, recently introduced, is a fully integrated library of eight application programs that make the Concept one of the most powerful and versatile workstations in its price class. Software from other vendors is also available.

The Corvus Concept+ workstation and the Corvus Uniplex multi-user, multi-tasking microcomputer are designed for the OEM market, and use the Bell Laboratories UNIX Operating System.

FINANCIAL RESULTS (\$000, except share data)

	1984 1st half	1983 FY	1982 FY	1981 FY	1980 FY
Net Sales Net income (loss Net income as a percentage of	\$27,315 (1,086)	\$49,673 4,368	\$26,838 2,353	\$10,325 706	\$2,184 59
sales		9.3%	8.8%	6.8%	2.7%
Earnings per share Shares	\$(0.10)	\$0.45	\$0.30	\$0.16	\$0.02
outstanding	10,384,039	9,793,000	7,794,000	4,323,000	2,509,000
Shareholders' equity	\$41,119	\$42,061	\$13,329	\$957	N/A

Michael L. D'Addio, 39, one of the founders of the company has served as president and chief executive officer and director since August, 1979. Prior to founding the company, he was employed from May, 1976, to May, 1979, by Microform Data Systems, Inc., a manufacturer of information retrieval systems, in various marketing and management positions, including general manager of the Medical Systems Division, with responsibility for marketing and software development, and director of marketing of Financial Systems Division, with sales and marketing responsibility for the banking, insurance, and general commercial markets.

Mark C. Hahn, 33, one of the founders of the company, has served as a vice president since August, 1979. He is now vice president -product planning. From June, 1974, to May, 1979, he was employed by Hewlett-Packard Company as a developmental engineer.

Joseph D. Hughes, 41, joined the company in October, 1979, as vice president-marketing and secretary. From September, 1975, to October 1979, he was employed by Microform Data Systems, Inc., as manager of the product marketing group. In this capacity, he was responsible for system design, product promotion, planning and advertising for products sold to the banking, financial, and medical services markets.

Patrick E. Elmendorf, 42, joined the company in October, 1980, as vice president-operations. From November, 1979, to October, 1980, he was employed by Four Phase Systems, Inc., a manufacturer of computers, as manager of advanced technology and manufacturing engineering. From March, 1974, to November, 1979, Elmendorf was employed by Motorola, Inc. He initially served as manager of facilities, with responsibility for supervision of the installation of major capital equipment. Thereafter, he served as manager of manufacturing engineering and advanced manufacturing technology.

Douglas Broyles, 41, joined the company in January, 1982, as vice president-special products. From July, 1980, through January, 1982, he was employed as president of ONYX Systems, Inc., a microcomputer manufacturer which was acquired by Internatinal Memories, Inc., in October, 1980, (the combined company, ONYX + IMI, Incorporated, was formerly known as Dorado Micro Systems). From October, 1978, to July, 1980, Broyles served as executive vice president of International Memories, Inc. Broyles presently serves as director of ONYX + IMI, Incorporated.

Richard M. Brenner, 35, joined the company in June, 1982, as vice president-finance and chief financial officer and assumed his present position, vice president-finance and administration and chief financial officer, in June, 1983. From February 1979 to June 1982, he was employed by United States Leasing International, Inc., where he initially served as business development manager, responsible for mergers and acquisitions and thereafter as vice president of its rail services subsidiary. From July, 1978, through February, 1979, Brenner was principally engaged in management consulting as a senior partner of Brenner, Fassler and Co.

John W. McMains, 41, joined the company in June, 1983, as vice president-engineering. From July, 1979, to June, 1983, he was employed by the IMI Division of ONYX + IMI, Incorporated, where he served as director of engineering, responsible for the design and development of 8-inch and 5-1/14-inch disk drives. From January, 1973, through June, 1979, McMains was employed by ESL, Inc., as a program manager.

Harrison F. Longstreth, 54, joined the company in Feburary 1981 as director of sales. He was promoted to vice president sales in June, 1983. From June, 1979, through January, 1981, he was employed as president of Alto Travel Service. From January, 1977, through May, 1979, Longstreth was employed by Microform Data Systems, Inc., where he served as vice president-marketing, responsible for marketing and software development for financial and medical services markets.

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SAN JOSE, Calif., March 20 -- A whole new class of low-cost disk drives which have a built-in Corvus Omninet local area network interface, and eliminate the need for a dedicated disk server in network applications, was introduced by Corvus Systems, Inc., today.

These are the first disk drives designed specifically for use with a network of microcomputers, and offer improvements of up to 40 percent in throughput.

The new 5-1/4-inch Winchester mass storage systems, called OmniDrive disk drives, replace most of the existing line of Corvus drives. Single-computer systems, too, can use the network connection, giving their owners an easy path to full Omninet local area networks.

Elimination of the disk server or a dedicated computer saves users nearly a thousand dollars. The Omninet Disk Server is priced at \$990.00. The server circuitry is built into the new OmniDrive, so the OmniDrive price is as much as 25 percent less than that of a disk server and a disk.

"Ever since we introduced the first rigid disk drive for use with microcomputers in 1979, Corvus has been a major factor in that business," said Joseph D. Hughes, Corvus' vice president of marketing. "We have delivered more than 30,000 drives. We have also delivered more local area networks for microcomputers than any other manufacturer. Our Omninet is the de facto industry standard, with more than 7,500 installed, serving more than 70,000 computers and peripherals. In addition, some 30 manufacturers have taken licences to build Omninet into their own computers.

"With this background, our development of these new drives makes eminent sense. They give our customers lower cost, network-ready mass storage, and allow us to be much more flexible and cost-effective in our own operations," Hughes added.

"The 45 megabyte OmniDrive was added to the line because customers have become increasingly interested in greater and greater capacity. Its addition was made possible by a switch to an industry standard disk controller specification (ST 506)," Hughes said. "This also means that Corvus will be able to choose new drive products from a number of manufacturers, rather than being dependent on a single raw drive supplier, as the company has been."

OmniDrive disk systems will be available for the Corvus Concept and personal computers from IBM, Apple, Texas

Instruments, Zenith and DEC (See list on last page.), as is

Omninet.

Prior to the introduction of OmniDrive, network users who wanted more than one disk drive on the Omninet network had to connect subsequent drives to the first one, and could add only three additional drives, for a total of four. The capacity now is virtually unlimited, since each OmniDrive disk becomes a separate network node.

"A practical network, though, might have a maximum of eight 45 megabyte drives attached," Hughes said. "This is not a physical limitation, but a logical one. That setup would provide 360 megabytes, which is a tremendous amount of storage for the typical network of about 10 microcomputers."

Corvus Omninet is a low-cost local area network for personal computers which uses simple twisted-pair cabling and allows 64 computers or peripherals to operate together over distances of up to 4,000 feet. It is a baseband network with a common bus topology.

Computers on this network may share disk drives, printers, backup devices, and communications capabilities.

Use of Omninet requires that the computer have a \$495 transporter card installed. This transporter handles all network traffic management, so that no central controller is necessary for the operation of the network. Thus, if one node on the network is not working, the network continues to operate.

OmniDrive comes in a new, smaller enclosure that offers a smaller footprint that makes it easier to use on a desk.

Price and Delivery

The OmniDrive systems are available in 5.5, 11.1, 16.6 and 45.1 megabyte formatted storage capacities. Suggested retail prices are \$1,995.00, \$2,495.00, \$3,195.00, and \$4,995.00, respectively. These prices do not include Constellation II network software, which is available for \$395.00 for Apple computers, and \$495.00 for others.

Starter kits for single-computer networks contain an Omninet transporter card and other accessories not included in the standard package. Their prices are \$2,095.00, \$2,995.00, \$3,695.00, and \$5,495.00, respectively.

First customer deliveries are scheduled for April.

The current line of Corvus disk drives for single user and network use will still be available for a limited time. Service on existing products will continue to be available.

Corvus manufactures and markets local area networks, peripherals and computer systems worldwide.

-- more --

OmniDrive

General Specifications

Compatible computers and operating systems:

Apple II - DOS 3.3

- Pascal 1.x

- CP/M-80

Corvus Concept - CCOS and UCSD p-System

DEC Rainbow 100 - DOS 2.x

- CP/M 86

IBM PC and XT - DOS 1.1

- DOS 2.x

TI Professional - DOS 1.25

Zenith Z-100 - CP/M 80/85

Physical dimensions:

Height: 5 inches Width: 10 inches Depth: 14.25 inches

Peak transfer rate: 687.5 kilobytes/second

Read after write selection: The user may elect to use the read after write function or not. Throughput is increased if it is not used.

Disk rotational speed: 3,600 rpm

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NEW CORVUS OMNISHARE LETS USERS SHARE IBM PC OR XT FIXED DISKS, PROVIDES PERIPHERAL SHARING

Low-cost Entry to Omninet Local Area Network

SAN JOSE, Calif., March 20 -- OmniShare, a new network product from Corvus, enables the fixed disk of an IBM XT to emulate a Corvus disk system, creating a low-cost Omninet local area network. The emulator, announced today, allows IBM PC and XT users on the network to share that disk.

OmniShare allows the user to decide how much space on an IBM fixed disk is to be used by the host computer and how much is to be shared. The host computer may also use and manipulate the data in the common portion of the disk. The emulator runs as a background task in the host computer, which can continue running an application program as a foreground task without disruption.

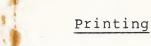
"OmniShare gives a user a means to share that fixed disk and other peripherals at low cost," said Joseph D. Hughes, Corvus' vice president of marketing. "It also allows electronic communications with the OmniMail electronic mail software.

"Almost of greater importance though, is the ability for the user to move to a full Omninet local area network just by purchasing a Corvus OmniDrive Winchester disk drive," he added.

OmniShare has most of the characteristics of the full Omninet network, except that disk storage is limited to that of a single IBM XT. With Omninet, there is no practical limit to the amount of storage available. Local drives and printers are allowed on both systems.

Corvus Omninet is a low-cost local area network for personal computers that uses simple twisted-pair cabling and allows 64 computers or peripherals to operate together over distances of up to 4,000 feet. It is a baseband network with a common bus topology. Computers on this network may share disk drives, printers, backup devices, and communications capabilities.

Access rights to disk volumes, flexible volume definition, and user name and password security are part of the OmniShare network management system.



With a special pipes feature of OmniShare, any computer on the network can send, or spool, information to the pipe area on the shared disk to be retrieved by another user, a dedicated computer despooling to a printer, or to a Corvus Printer Server, which can serve up to three printers. This feature, common to Corvus Winchester drives on networks, enables the computer to spool the information and then go on to its next task, rather than having to wait until the information is printed or retrieved.

General

Omninet is the most popular local area network for microcomputers, with an installed base of more than 7,500 networks serving more than 70,000 computers and peripherals. In addition to this installed base, believed to be the largest in the industry, more than 30 other companies have taken licenses to build Omninet connections into their own products.

The OmniShare package, priced at \$795.00, consists of the emulation and Constellation II software, IBM XT transporter card, Omninet cable and a manual. First customer shipments are expected to begin in May.

The new Corvus Network Mirror mass storage backup system, which allows information from disk drives on the network to be stored on a cartridge of ordinary videotape, is currently available for \$990.00. The Corvus Bank, an archival system that stores up to 200 MB of information on tape in a removable cartridge, is also available for the OmniShare network at \$2,195.

Corvus manufactures and markets local area networks, peripherals and microcomputer systems. The company's Omninet has become the standard for local area networking of personal computers.

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NEW DISK DRIVE BACKUP SYSTEM ALLOWS ARCHIVAL STORAGE OF NETWORK DATA ON VIDEOTAPE

SAN JOSE, Calif., March 20 -- A new Winchester disk drive backup system that allows data from all drives on a Corvus Omninet local area network to be stored on a home videotape recorder cartridge was announced by Corvus today.

With a suggested retail price of \$990, the Corvus

Network Mirror copies information at the rate of one megabyte per
minute to or from a disk drive to videotape. This is about
one-third faster than the existing Corvus Mirror, which is
connected directly to a disk drive.

"The new Network Mirror is a network device that just plugs into an Omninet network as easily as any other peripheral," said Joseph D. Hughes, Corvus' vice president of marketing. "It allows efficient and inexpensive archival storage for large databases. It is the network version of our existing Mirror. Currently, more than half of our customers order disk drives with Mirrors built in, so we see a ready market for this new product."

Up to 96 megabytes of information may be stored on one VHS or Beta format cartridge with the Network Mirror. Backup is achieved by following a simple command menu on any computer on the network.

The Network Mirror uses NTSC video signal format standard in the United States. Versions for the European PAL and SECAM formats will also be available.

Omninet

Corvus Omninet is a low-cost local area computer network for personal computers which uses simple twisted-pair cabling and allows 64 computers or peripherals to operate together over distances of up to 4,000 feet. It is a baseband network with a common bus topology. Computers on the network may share disk drives, printers, backup devices and communications capabilities.

First customer shipments of the Network Mirror will begin in April. The Corvus Mirror will continue to be available.

Corvus Systems, Inc., manufactures and markets local area networks, peripherals and computer systems. Corvus Omninet is the industry standard for local area microcomputer networks, with more than 7,500 installed, serving more than 70,000 computers and peripherals.

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Richard M. Brenner, 35, joined the company in June, 1982, as vice president-finance and chief financial officer and assumed his present position, vice president-finance and administration and chief financial officer, in June, 1983. From February 1979 to June 1982, he was employed by United States Leasing International, Inc., where he initially served as business development manager, responsible for mergers and acquisitions and thereafter as vice president of its rail services subsidiary. From July, 1978, through February, 1979, Brenner was principally engaged in management consulting as a senior partner of Brenner, Fassler and Co.

John W. McMains, 41, joined the company in June, 1983, as vice president-engineering. From July, 1979, to June, 1983, he was employed by the IMI Division of ONYX + IMI, Incorporated, where he served as director of engineering, responsible for the design and development of 8-inch and 5-1/14-inch disk drives. From January, 1973, through June, 1979, McMains was employed by ESL, Inc., as a program manager.

Harrison F. Longstreth, 54, joined the company in Feburary 1981 as director of sales. He was promoted to vice president sales in June, 1983. From June, 1979, through January, 1981, he was employed as president of Alto Travel Service. From January, 1977, through May, 1979, Longstreth was employed by Microform Data Systems, Inc., where he served as vice president-marketing, responsible for marketing and software development for financial and medical services markets.

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